



Tom Davis, Director  
Office of Recapitalization  
U.S. Department of Housing and Urban Development  
451 7th Street, SW, Room 6230  
Washington, DC 20410

July 17, 2018

**Re:** Complaint Regarding Violations of Rental Assistance Demonstration Program Notice and Requirements at 2601 N. Broad Street, formerly known as Station House

**Respondents:**

1. Volunteers of America Delaware Valley and its agents, employees, and managers ("VOA");
2. 2601 North Broad Street Associates LP and its agents, employees, and managers ("NBS");
3. NDC Management and its agents, employees, and managers
4. Ingberman Management and its agents, employees, and managers

*Herein referred to as "Respondents"*

**Complainants:**



Dear Mr. Davis:

Community Legal Services of Philadelphia is writing to make a formal complaint that HUD initiate an investigation of Respondents for violations of Rental Assistance Demonstration (RAD) notice and program requirements in their joint venture to redevelop the housing community formerly known as Station House Apartments (Station House) into the "Lofts at



2601 North Broad Street" (herein referred to as the "Property") under a Rental Assistance Demonstration (RAD) conversion in Philadelphia.

## **I. Background**

The Property was the first redevelopment in Pennsylvania under HUD's RAD Component II program. Residents of the property were provided with a notice of VOA's interest in acquiring the property for a proposed project on or February 19, 2015. (Exhibit 1). The conversion was a prospective conversion of a Moderate Rehabilitation (Mod Rehab) contract that expired on September 4, 2016 and was renewed for a year. (Exhibit 2). Starting in or around October 2016, as a direct and sub-recipient of federal financial assistance, Respondents began significant renovations on 108 units of housing at the Property at 2601 North Broad Street and rebuilt 56 units as the Property, with Project-Based Rental Assistance (PBRA) and subject only to low-income housing tax credit restrictions. According to the Respondents, 75 residents occupied the units at the time of Conversion, and only 56 residents would be eligible to return to the 56 available units after conversion and redevelopment.

In or around December 2016, attorneys at Community Legal Services (CLS) were alerted to numerous compliance violations under RAD, and other problems at the Lofts, during the pre-conversion, redevelopment and renovation processes, along with ongoing compliance issues throughout all stages. CLS brought these concerns to Respondents on many occasions via email, phone calls, and in-person meetings, with many of the concerns remaining unaddressed and resulting in harm to residents at the Property. Many of these concerns were also brought to the attention of HUD Regional program employees as well as the Office of Recapitalization. After a thorough investigation, CLS is representing multiple current and former Lofts and Station House Apartments residents in enforcing their rights under the Fair Housing Act, the Uniform Relocation Act, and other legal authorities. This letter addresses violations of the RAD Notice and other program requirements.

## **II. Failure to Guarantee a Right to Return and to Provide Relocation Assistance**

### **A. Respondents Violated Residents' RAD Right to Return and Improperly Pressured Residents**

As a part of the RAD conversion to PBRA, Respondents proposed in their RAD Application to reduce the number of units at the property from 108 units to 56 units.<sup>1</sup> Because there were 75

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<sup>1</sup> Some documents indicate a reduction to 58 units. *See* Exhibit 10.



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residents residing at the Property at the time of conversion, this meant that not all residents would be able to return to the Property after conversion and renovations.

Under RAD, “[t]he right to remain or return applies to both PBV and PBRA. Under RAD, any resident residing in the property prior to conversion has a right to remain in, or in the event that rehabilitation will result in the relocation of residents, return to an assisted unit at the Covered Project.” (RAD Notice, § 2.4E). The RAD Notice further states that the Uniform Relocation Act applies to any relocation that occurs as a result of acquisition, demolition, or rehabilitation, and that “permanent involuntary displacement may not occur as a result of a project’s conversion of assistance.” (RAD Notice, § 2.4E). Where proposed plans would preclude a resident from returning to the property, “the resident must be given an opportunity to comment and/or object to such plans. If the resident objects to such plans, the Owner must alter the project plans to accommodate the resident in the Covered Project.” (RAD Notice, § 2.4E).

Residents at the Property were not informed of their opportunity to object to such plans and received no such opportunity to object. In addition, the Respondents did not inform residents of their right to return. Thus, because of the RAD conversion’s unit reduction, some residents were permanently and involuntarily displaced, in violation of RAD requirements.

Respondents are also obligated to “inform residents of their right to return, potential relocation, and temporary and permanent housing options at least 30 days before residents must make a decision.” (RAD Notice, § 2.4E). In addition, where the resident agrees to the plans, “the Owner must secure informed, written consent from the resident to receive permanent relocation assistance and payments consistent with URA, and acknowledgment that acceptance of such assistance terminates the resident’s right to return to the Covered Project.” (RAD Notice, § 2.4E). Furthermore, Respondents “cannot employ tactics to pressure residents into relinquishing their right to return or accepting permanent relocation assistance and payments.” (RAD Notice, § 2.4E).

Despite these requirements, many residents at the Property felt pressured into permanent relocation and were not made aware of their right to return to the Property. According to multiple residents at the Property, Respondents pressured residents into signing legal documents by sliding documents under the door, knocking on residents’ doors outside of business hours, and making them sign documents without full understanding of what they were signing. For example, Complainants [REDACTED] and [REDACTED] are former Station House residents who were both interested in returning to the Lofts post-RAD conversion. Both residents believed they were pressured into permanent relocation. Because of the pressure and confusion, both accepted permanent relocation assistance in the form of Housing Choice Vouchers. Neither resident was offered any assistance in finding a new home, in violation of the Uniform Relocation Act.



In addition to pressuring some residents to leave and selectively offering them Housing Choice Vouchers, the Respondents also pressured some residents into remaining at the Property. These residents felt pressured to return to the property and were not counseled on other options or their rights to permanently opt-out of returning to the Property, or were not offered Housing Choice Vouchers like other residents. For example, Complainant [REDACTED], who wanted to opt out of returning to the Property, felt pressured into returning. Due to her work schedule, she was not available to make community meetings and was unable to reach the Property Manager to get counseling on her options. She reports, like many other residents, that a notice was slipped under her door. Prior to the conversion, she recalls being told that permanent relocation assistance was not an option for her. At the time, she would have qualified for the permanent relocation assistance – an offer of a Housing Choice Voucher - based on her income.

Additionally, Complainants [REDACTED] and [REDACTED] and an unnamed Complainant [REDACTED] all wanted to opt out of returning to the property and receive permanent relocation assistance, but were never counseled on their options or felt pressured into returning. [REDACTED] thought she had originally signed an opt-out paper or list, but believes she was talked into signing a second document to return to the property. [REDACTED], needing a voucher to accommodate her changing family circumstances, ended up leaving Station House and the subsidized housing program altogether. Complainant [REDACTED] states that he was not given any copies of the documents, and did not know what he was signing. [REDACTED] recounted accidentally signing a document that stated that she wanted to return while she was in pain and recovering from surgery.

Several other residents who are not named in this complaint came forward with similar stories of feeling pressured to choose to opt-out of permanently returning, or pressured to return to the property. Some residents believe this was based on who Management liked or wanted to see return, while people who Management did not like were pressured into permanently relocating. After attending several community meetings with residents, residents spoke confidentially about a lack of clarity around the process, hostility from Management, and pressure to sign documents that they did not understand or get a chance to review closely.

#### **B. Respondents Failed to Provide Adequate Relocation Advisory Services Pursuant to the Uniform Relocation Act (URA)**

Residents who did obtain the Housing Choice Vouchers that were offered to select residents have faced numerous obstacles. According to multiple residents, Respondents did not make residents aware of their housing options at tenant meetings in November 2015, and in fact told residents that they would not be successful renting with a voucher. (Exhibit 3).

The URA (42 U.S.C. § 4621 et seq. and 24 C.F.R. part 24) requires that any Federal program or any program accepting Federal assistance must provide relocation benefits for displaced people. These benefits include reimbursement for actual and reasonable moving expenses, rental assistance, and advisory services with current and continuing information on the availability of



comparable replacement dwellings. Specifically, the URA requires a personal interview with each displaced resident and states that the resident cannot be required to move until at least one comparable replacement dwelling is made available.

These required relocation advisory services were not provided. For example, Complainant [REDACTED] was told by the Respondents that he would be receiving a voucher after being pressured into signing a document in October 2017 permanently opting out of returning. He was then forced to relocate to another building while he waited for a voucher, but was only shown the outside of the building. Because he was not allowed to see the inside of the unit before he moved in, he moved to a different location through a separate arrangement, never receiving permanent relocation assistance. [REDACTED] never received a voucher and is currently living unassisted. Similarly, [REDACTED] who opted to return to the building and did not want to be temporarily relocated off-site, remains in a temporary off-site unit and is living unassisted, paying full rent and additional monthly payments toward a security deposit.

### **C. Residents Were Improperly Rescreened With Discretionary Screening Requirements**

Under RAD, any resident residing at the property prior to RAD conversion has a right to remain in, or return to, an assisted unit at the RAD-converted property. (RAD Notice, § 2.4E). As a Mod Rehab conversion to PBRA, Section 2.6(F) of the RAD Notice specifically states: “At conversion, current residents are considered new admissions into the PBRA program. However, Owners may only rescreen these households for the mandatory screening requirements established by statute (see, e.g., 24 CFR §§ 5.854, 5.856, and 5.857) and may not apply any discretionary screening requirements (see, e.g., 24 CFR §§ 5.852 and 5.855).”

Despite these clear requirements, some residents who chose to return to the Property were rescreened with discretionary screening requirements that resulted in ineligibility to exercise their right to remain. Specifically, Respondents told some residents that they were “over-income” and therefore ineligible to return to the newly-renovated Property and/or strongly pressured those residents to accept permanent relocation assistance in exchange for waiving their right to return, prior to the conversion. This pressure and misinformation was apparently intended to discourage some residents from returning to the newly renovated Property if they were over-income for the purposes of the redeveloped property’s Low-Income Housing Tax (LIHTC) financing, regardless of their right to return.

Perhaps even more troubling, the Tenant Selection Plan for the Property that was submitted to HUD clearly states Respondents’ intention to engage in the prohibited rescreening and to discourage certain residents from returning:

*“An applicant household and/or any additional household member who is proposed to reside in the unit will be refused occupancy for one or more of the following reasons:*



- a. *The household annual income exceeds the applicable Tax Credit Income Limit and/or the income tiers referenced in the Unit Affordability Chart attached as Exhibit A.”*

(Exhibit 4). Complainant [REDACTED] who wanted to opt out of returning to the Property, felt pressured into returning. Upon returning to the Property in December 2017, she was made to reapply and rescreened as a new tenant. She was then advised by the Respondents that she exceeded income limits for both a RAD unit and an LIHTC unit, and that she no longer qualified for a HUD voucher. She was told that her options were to move out or pay the HUD approved Fair Market Rent of over \$1,000 for a one-bedroom unit at the Property. This new rent is not affordable for her despite her increased income and she must now move out. This prohibited rescreening has resulted in uncertainty and housing instability for her and other residents who were improperly rescreened.

### **III. Improper Relocation and Housing Quality Issues**

#### **A. Respondents Failed to Give Residents Proper Notice Prior to Relocation**

The Uniform Relocation Act requires that 30 and/or 90 day written notices be provided to displaced residents. It also requires that residents be informed of the location of the comparable replacement dwelling unit and their eligibility for relocation assistance and payments. Such requirements are essential for residents to be able to assess the suitability of the relocation plan and comparable replacement dwelling unit in accordance with their needs and request reasonable accommodations when necessary. The Respondents explicitly violated these requirements when relocating residents, further creating housing instability for the residents.

Some residents who opted to return, and some residents who permanently opted out, were temporarily relocated off-site during renovations and while they waited for PHA to issue vouchers for permanent relocation assistance. When residents were temporarily relocated, they were given little to no notice of key details of the relocation process. Several Station House residents, such as Complainant [REDACTED] stated that management arrived at their doors and announced that they have to move by the end of the week. One resident received notice on July 13, 2017 informing the resident that the resident would have to move out two days later, on July 15, 2017. The resident was not offered any information about the details of the new living arrangement other than the address. The notice also did not indicate how long the resident would be required to stay at the alternate location. Other residents reported that they did not know where they were going until the movers dropped them and their items off at the relocation unit.

As noted above, Complainant [REDACTED] was not allowed to see the inside of the unit before he moved in. An unnamed Complainant herein referred to as [REDACTED] reports getting a knock on her door one morning in May 2017 and being told to pack her stuff and that she would be moved in seven days. A month passed and nothing happened. When she and other residents asked for a



clearer timeline, Respondents told them they did not know when residents would be moved. She reports that people were crying and coming to her, telling her that they got shipped to a place worse than where they came from, to drug-infested areas, and that it was disrupting their sobriety. She describes people being “moved out like cattle.”

Several residents complained about how the movers provided by the Respondents treated them and their property during temporary relocation. Complainant [REDACTED] for example, reported that her furnishings were moved into a dumpster from the north side of the building to the south side of the building, and several items, such as a dresser, DVD player, and television were severely damaged, and she experienced significant challenges in attempting to get reimbursed for the damaged items or to get the property replaced. Complainant [REDACTED] reports that he was only given 15 days’ notice to move on May 1, 2017, and that when Respondents’ movers went to move his belongings, they put his property in a moving truck with someone else’s property, resulting in missing, lost, or stolen property.

There was also a general lack of clarity on payments for moving expenses, what is considered out-of-pocket and reimbursable, and what specific materials were being provided for packing and moving. The relocation information that the Respondents provided failed to specify any of these details. When residents asked the Respondents about these details and how to go about getting reimbursed for any out-of-pocket expenses, they were met with unclear answers or no response. As noted above, [REDACTED] is currently making monthly payments toward a security deposit at a unit where he was only to be temporarily relocated during building renovations, in addition to paying full rent for the unit.

#### **B. Residents Were Improperly Relocated Into Substandard Temporary Relocation Units**

The Respondents relocating residents to temporary units must comply with URA guidelines, which require temporary, off-site units to be compliant with HUD housing quality standards, Section 504, and local codes. However, based on the accounts of several residents, the Respondents relocated some residents into substandard off-site units with significant habitability issues, such as lack of heat and electricity.

For example, Complainant [REDACTED] reported maintenance and repair issues at her relocation unit. She states that the door to the unit was broken, and the unit was infested with roaches and mice. The building’s elevator was broken as well. [REDACTED] reports that she did not get a chance to see the unit before she moved in. Similarly, Complainant [REDACTED] reported that the temporary unit he was moved into had a mice and roach infestation, improper ventilation, a broken and insecure front door, and broken closet doors. Also, Complainant [REDACTED] experienced significant issues in temporarily relocating to a unit. She reports that she was never allowed to see any units and was only shown the addresses online by the property manager. The first option they gave her was too far from her job and doctors office, so she asked



for a second option, based in North Philadelphia. When she took the second option and moved in, there was no furniture, no air conditioning unit, two windows without screens in the unit, and the electricity was cut off without notice shortly after she moved in. When she complained to the property manager of the building, she was told “that’s your problem.” She then had to go and get the electric turned on in her name, despite never being told that she would be required to do so at the temporary unit.

### **C. The Respondents Created Dangerous, Hazardous, and Substandard Conditions While Residents Were Still Living at the Property**

Some residents remained on-site during renovations to the Property. This included both residents who had opted out and were waiting for permanent relocation assistance, as well as residents who had chosen to return to the converted property and were waiting to be relocated to a renovated unit.

First, residents were provided inaccurate information about construction at the Property. According to a “Relocation & Redevelopment Update” notice issued to some residents on or around October 24, 2016, “construction was to begin that week and would start on the south side of the building, with residents from the south side being moved to the north side.” (Exhibit 5). However, in contradiction to this notice, several residents report that the Respondents began renovations prior to beginning the relocation process and before residents who had chosen to permanently relocate were processed for or received their permanent relocation assistance.

Second, construction and repairs that occurred where residents were living created significant health and safety hazards. Respondents did not isolate renovations to particular sides of the building, but instead began working on the side of the building where residents were still living. The Respondents also attempted renovations in tenant units while residents were living in the units, such as removing windows and renovations that caused thick dust to spread in the hallways and other common areas. (Exhibit 6).

Several Complainants experienced significant substandard conditions and health and safety hazards while living in the building during renovations. Complainant [REDACTED] complained during renovations that her hot water was not working at all, and that she experienced cockroaches and mice coming into her unit under the door and through the ceilings, especially after walls and baseboards were removed. Several residents complained that the lock on the common entrance to the building was broken for months, allowing anyone on the street to walk into the unsecured building. CLS attorneys experienced this first-hand during a site visit to the building on July 2017, where the door was unsecured and allowed us unrestricted access to walk into the building. (Exhibit 6). On three different occasions, Complainant [REDACTED] found homeless people sleeping in the lobby area.

Complainant [REDACTED] reported wires hanging in the hallways, leaks in the ceiling with water coming through, no hot water, flies, rats, no ventilation, holes in the walls, no screens in the windows,



and that the elevators were consistently out of service. Whenever [REDACTED] asked when she would be moved to another unit, the Manager would just say "I'm working on it."

Complainant [REDACTED] also in the building during renovations until he received a voucher to move, complained about severe maintenance issues, including a huge rodent problem and dust and dirt constantly flying around. When he brought it up to the property managers, they stated that this was due to construction, and did nothing further to address the issue. There was also no bathroom on his floor during the renovations, causing him to have to take an elevator to use the bathroom on another floor. Additional inconveniences during renovation included noise, lights being on at night, and not being able to use facilities such as the kitchen, causing him to have to eat take-out for weeks and impacting upon his diabetes health conditions (where he must eat regularly in order to take his insulin shots).

[REDACTED] one of the last people to be temporarily relocated to an off-site unit, reports that they started doing renovations on her side of building and in her unit - drillings, banging, sawing, hammering, knocking out the wall, hazards hanging from the ceiling, and emergency exits signs hanging. She recalls that she was the only person left on the floor and had to make sure an emergency exit door was propped open so that she could get out of the building in an emergency, since the door would not always open. She reported that the unit right next door to her was completely gutted, exposing her to dust and debris in her unit.

[REDACTED] had to live in the building during renovations and reports inhaling significant dust that exacerbated other health issues and caused rashes to break out on her skin. She also experienced rats and mice during renovations. She reported these issues several times to management but no steps were taken to address them. On several occasions she was given a date to move to the renovated side, but the date kept getting delayed. (Exhibit 7). When she finally did move to the other side, she experienced issues with electrical outlets not working, and still had a mouse infestation in the unit. She made complaints to the Respondents in writing about these concerns, but they were never adequately addressed. While she was temporarily relocated, she also experienced significant property damage caused by movers and management.

For residents who permanently opted out of returning, once renovations began, they became confused and unclear about their status (whether they were returning or not), and unclear about how moving expenses would be handled. For those residents who had opted-out, this meant that they needed to be relocated to another part of the building during renovations, which meant moving twice in a short period of time. Residents had virtually no information on their vouchers, how the vouchers would work, and when they would receive the vouchers. Again, the Respondents began renovations earlier than they stated, before residents had been either temporarily located to an off-site unit or to a unit on the side of the building where renovations were not yet started. (Exhibits 5, 7).



Complainant [REDACTED] a tenant who permanently opted out of returning and was waiting to receive relocation assistance, was moved to the side where renovations were taking place during construction. Similar to other residents, [REDACTED] reported a lack of hot water in the building, a lack of a dining area, no place to properly dispose of trash, windows without frames and glass allowing exposure to the weather elements, and leaks in the hallway whenever it rained. [REDACTED] [REDACTED] additionally reported infestations of fleas, mice, bedbugs, and flies with a lack of adequate response to these issues from Management despite several complaints. Furthermore, [REDACTED] and many other residents reported broken elevators that kept residents stuck on the first floor for hours and left disabled residents unable to get to their units or move around the areas of the building that weren't made inaccessible due to the renovations.

Complainants and other residents also experienced significant issues with the construction workers and contractors in the building. Complainant [REDACTED] noted that workers would be smoking and drinking in the hallways and entering the building at different hours in the night, sometimes at 3am. [REDACTED] complained about maintenance workers entering into her unit without prior notice and without allowing her time to answer the door. According to [REDACTED] on November 1, 2017, she was in her unit asleep and without clothes on, when she heard a knock on her door. Less than 30 seconds later, without her responding that it was ok to come in, they unlocked and opened her door, and stepped in. When they saw her, they stepped back out of the room, knocked again, and again, without response, they entered her room again and left back out. Having received no notice or phone call to expect maintenance workers, [REDACTED] was alarmed and ended up calling the police and making a report. She later learned that there was a leak in the unit above her and that they were coming to inspect her unit to see if the leak was affecting her unit; however, she still did not receive notice and this is not considered an emergency of the sort that called for entering her unit without notice and without waiting for someone to respond to their knocking. Other residents reported hammering and banging in the building well past 7pm, preventing them from sleeping or living comfortably in their units.

#### **D. Residents at the Property Continue to Experience Substandard Physical Conditions and Management Issues**

After renovations, residents continued to experience issues in the renovated units. The renovated units, while slightly bigger, offer fewer amenities and basic facilities. For example, [REDACTED] unit is improperly ventilated, with no air conditioning. As will be noted in the next section, residents did not receive any substantive information about the design of the renovated units, or any meaningful opportunities for input on the design. [REDACTED] unit has no closets and she was not provided with a bed frame for several months after she moved into her new unit, even though residents were told that the units would be furnished. She slept with her mattress on the floor until a new bedframe was finally provided nearly six months later.



#### **IV. Transparency and Tenant Participation**

##### **A. The Respondents Did Not Provide Adequate Information or Opportunities for Meaningful Participation by Residents in the RAD Conversion and Subsequent Redevelopment Process**

Under Section 2.8.3 of the RAD Notice, Respondents are required to “notify residents in writing of its intent to participate in the Demonstration and to hold two meeting with residents.” The two resident meetings must be conducted “with all affected residents and provide the residents with an opportunity to comment on the conversion” with the purpose of the resident meeting being “to provide residents with greater detail related to the conversion, including rehabilitation plans (if applicable), relocation (if applicable), and PBV or PBRA program rules that may differ from Mod Rehab rules.” (RAD Notice § 2.8.3(A)).

While the Respondents did hold the required number of tenant meetings prior to the RAD application and the conversion that followed, these meetings lacked substantive information and were not responsive to residents’ questions or concerns. Prior to starting the process of conversion, residents understood very little about the nature of RAD and the impact it would have on the residents. Meetings were also not well-advertised, with residents only receiving notice by word of mouth or by inconspicuously posted notices on the doors of the elevators, only a day or two before the meetings.

In resident meetings run by VOA, VOA only briefly and superficially discussed what the RAD program was. Most residents complained about not understanding what it meant or how it would affect their rights. For example, at one resident meeting held on November 19, 2015, a resident asked if there was any guarantee of transfer to a new unit, to which VOA responded “There are no guarantees except death and taxes. However, we will commit to transferring everyone to a new unit and paying moving costs.” Residents found these sorts of responses unhelpful, unprofessional, and hostile, and many residents feel that they never received clear answers to their questions, or otherwise received inadequate counseling and advice from VOA staff.

Other residents have complained that they were given conflicting information about what documents they needed to provide and weren’t given an opportunity to review a copy of the lease agreement before being forced to sign it. (Exhibit 8). Some tenants, such as [REDACTED] [REDACTED] lived in the building without leases for several months. During this time, Management imposed new rules, such as a new smoking policy, via “Tenant Updates” posted in common areas. (Exhibit 9).

In fact, residents were so confused and so much misinformation was given about the process that residents organized several meetings on their own and asked staff from CLS to attend these meetings and explain what RAD was, what the relocation plans were, the construction timeline,



what choice mobility options were, and what that meant for their residency. CLS held a total of four such meetings with residents.

As described below, CLS attorneys requested several key documents on behalf of residents in an attempt to clarify residents' rights and Respondents' responsibilities as part of the RAD conversion; however, most of the documents provided were incomplete, unclear, or not applicable.

**B. Several Requested Documents Provided to CLS Were Incomplete, Contained No References to RAD, or Were Otherwise Not in Compliance With RAD Regulations**

In an attempt to clarify some of the resident questions and concerns, CLS advocates requested several documents from VOA, including all pertinent documents related to the RAD conversion. On or around October 13, 2016, we requested in writing the following documents:

- Draft HAP contract
- Contract rents Award letter
- Draft relocation plan
- Sec. 42 Rider
- Boiler plate lease agreement
- Tenant Selection Plan and Tenant Management Plan
- House rules
- Grievance procedures
- Scope of rehabilitation work summary and budget, proposed financing and/or development plan
- Affirmative fair housing marketing plan
- HUD Pre-approval of specific activities
- Any documents provided to residents re: conversion, right to return, tenant protection vouchers, and relocation

We received copies of the Tenant Selection Plan, NDC Real Estate Employee Handbook VAWA policy, Criminal Records policy, Grievance Policy, a House Rules addendum containing a grievance policy, and model subsidized lease agreement; several lease addenda, a LITHC form lease, an Affirmative Fair Housing Marketing Plan for Multifamily Housing, and criminal background screening policy. (Exhibit 11). Many of these documents were form documents, contained errors, or were incomplete. The lease agreement, for instance, was a HUD model lease that contained no RAD addendum or references.

**V. Requested Action**

CLS requests an immediate investigation by HUD into the above-outlined concerns and that HUD consider the following actions:



1. A comprehensive review of all practices of the Respondents to assess their compliance with the RAD Authorizing Statutes, the RAD Notice, the RAD Use Agreement, the RAD HAP Agreements, the Uniform Relocation Act, the Fair Housing Act, the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973, and any other applicable legal authorities;
2. The creation of a remediation program to identify residents adversely affected by the routine failure of the Respondents to provide adequate notices and information to residents concerning their rights and options;
3. Requirement that the Respondents, their agents, employees, attorneys, and other representatives undergo adequate training on the requirements of the RAD program, particularly the requirements relating to residents' rights and relocation requirements;
4. The creation of a Voluntary Compliance Agreement with the Respondents to ensure their long-term compliance with the requirements set forth in the RAD Authorizing Statute, the RAD Notice, the RAD Conversion Commitment, the RAD Use Agreement, the RAD HAP Agreements, and other applicable federal legal authorities;
5. Monetary compensation, as appropriate, for residents whose rights were violated;
6. And any other relief deemed necessary and appropriate to make affected residents and former residents whole.

We look forward to your response at your earliest convenience.

Sincerely,

Rasheedah Phillips, Esq.  
George Gould, Esq.  
Community Legal Services, Inc.

CC:

Michael Szupper  
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Fair Housing Office



US Department of Housing and Urban Development  
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100 Penn Square East  
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**PHA:**

Philadelphia Housing Authority  
Kelvin Jeremiah, Executive Director  
1800 South 32<sup>nd</sup> Street  
Philadelphia, PA 19145

**Attachments:**

- Exhibit 1 - Notice of Potential Displacement – February 19, 2015
- Exhibit 2 - 30-Day Notification Letter to Residents for Prospective Conversion of Mod Rehab Assistance to PBRA – November 9, 2015
- Exhibit 3 - Tenant Information Meeting Agendas – November 19, 2015 and November 23, 2015
- Exhibit 4 - Tenant Selection Plan
- Exhibit 5 - Relocation and Redevelopment Update – October 24, 2016
- Exhibit 6 - Photos of Conditions of Property During Renovations
- Exhibit 7 - Notice of Temporary Relocation – May 4, 2017
- Exhibit 8 - Eligibility Certification Notice
- Exhibit 9 - Tenant Updates
- Exhibit 10 - Documents Provided by Respondents Upon Request:
- a. Affirmative Fair Housing Marketing Plan
  - b. House Rules Addenda for PBRA Conversions
  - c. Model Lease for Subsidized Housing Programs
  - d. Low Income Housing Tax Credit Program Lease Addendum
  - e. No Smoking Lease Addendum
  - f. Lease Addendum Pertaining to Occupancy of Accessible Unit
  - g. LITHC Residential Lease